

123 FERC ¶ 61,197
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

May 23, 2008

In Reply Refer To:
Wisconsin Power and Light Company
Docket No. ER08-723-000

Alliant Energy Corporate Services, Inc.
4902 North Biltmore Lane
Madison, WI 53718

Attention: Jeffrey M. Gray
Regulatory Attorney

Reference: Second Revised Master Power Supply Agreement

Dear Mr. Gray:

1. Wisconsin Power and Light Company (Wisconsin Power) and Great Lake Utilities (Great Lakes)¹ are parties to a Master Power Supply Agreement (MPSA) under which Great Lakes purchases full requirements service from Wisconsin Power to meet the power requirements for three of Great Lakes' member municipalities. The rate Wisconsin Power charges Great Lakes for full requirements services under the MPSA is the same rate that Wisconsin Power charges under its Total Requirements Resale Service Rate Schedule W-3A on file with the Commission.²

¹ Great Lakes is a municipal electric company organized and operated under Wisconsin law. Great Lakes provides bulk power supplies to its member municipalities.

² Wisconsin Power FERC Electric Tariff Original Volume 12 (W-3A rate schedule).

2. Changes that Wisconsin Power proposed to the W-3A rate schedule are currently pending as part of the consolidated proceeding in Docket Nos. ER06-1517-000, ER06-1518-000, and EL07-14-000.³ A Settlement Agreement in that proceeding was filed with the Commission on February 8, 2008 and the Settlement Judge certified it as uncontested.⁴ The Settlement Agreement is currently pending before the Commission.

3. On March 27, 2008, Alliant Energy Corporate Services, Inc.,⁵ on behalf of Wisconsin Power, submitted to the Commission for filing a Second Revised MPSA between Wisconsin Power and Great Lakes.⁶ Wisconsin Power states that Wisconsin Power and Great Lakes entered into the Second Revised MPSA following the completion of settlement negotiations that led to the filing of the pending uncontested Settlement Agreement. It states that the Second Revised MPSA primarily reflects: (1) changes to Wisconsin Power's W-3A rate schedule pursuant to the Settlement Agreement; (2) revised terms and procedures surrounding Great Lakes' right to convert from full-requirements service under Wisconsin Power's W-3A rate schedule to partial-requirements service under Wisconsin Power's PR-I rate schedule; (3) a modification of the term and termination provisions; and (4) modifications to various terms and conditions related to Wisconsin Power's implementation of the formula rates proposed in Docket No. ER06-1517-000, *et al.*

4. Wisconsin Power requests waiver of the Commission's 60-day notice period requirement⁷ to permit an effective date of January 1, 2008. Wisconsin Power states that such a waiver is appropriate because there will be no change in the customer rates because the Great Lakes members already are taking service under Wisconsin Power's jurisdictional W-3A rate schedule.

³ The Commission accepted for filing and suspended proposed changes to Wisconsin Power's rates for partial requirements and full requirements service and set them for hearing and settlement judge procedures. It also set for hearing a related complaint against Wisconsin Power and consolidated Docket Nos. ER06-1517-000, ER06-1518-000, and EL07-14-000. *Wisconsin Power & Light Co.*, 117 FERC ¶ 61,322 (2006).

⁴ *Wisconsin Power & Light Co.*, 122 FERC ¶ 63,009 (2008).

⁵ Alliant Energy is a subsidiary of Alliant Energy Corporation, the parent company of Wisconsin Power. This order will refer to Wisconsin Power as the filing party.

⁶ Great Lakes is a municipal electric company organized and operated under Wisconsin law. Great Lakes provides bulk power supplies to its member municipalities.

⁷ 18 C.F.R. § 35.3 (2007).

5. Notice of Wisconsin Power's filing was published in the *Federal Register*, 73 Fed. Reg. 18,524 (2008), with motions to intervene or protests due on or before April 17, 2008. Great Lakes filed a timely motion to intervene and comments in support of the filing.

6. The Commission conditionally accepts the Second Revised MPSA for filing, effective January 1, 2008, and finds good cause, pursuant to section 35.11 of the Commission's regulations, 18 C.F.R. § 35.11 (2007), to grant the waiver of the Commission's 60-day prior notice requirement.⁸ The Commission finds, with the exceptions discussed below, that the Second Revised MPSA is just and reasonable.

7. First, the Commission finds that the proposed Second Revised MPSA does not include all of the rates, terms and conditions that apply to service under the agreement. Specifically, the proposed agreement incorporates by reference provisions in the Settlement Agreement pending before the Commission in Docket No. ER06-1517-000, *et al.*⁹ Sections 35.1 and 35.2 of the Commission's regulations¹⁰ require rate schedules to set forth in writing, clearly and specifically, all rates, terms and conditions for sales of electric energy subject to the Commission's jurisdiction.¹¹ Thus, the Commission conditionally accepts the proposed Second Revised MPSA for filing and directs Wisconsin Power to submit a compliance filing within 30 days of the date of this order that sets forth in writing, clearly and specifically, all rates, terms and conditions of the Second Revised MPSA.

⁸ *Central Hudson Gas & Elec. Corp.*, 60 FERC ¶ 61,106, *reh'g denied*, 61 FERC ¶ 61,089 (1992) (finding waiver of notice generally appropriate when the filing does not change rates and is uncontested).

⁹ For example, section 1.2 (Applicable Rate Schedule) provides, in part, that "the rate schedule attached to this Agreement as Exhibit B may be modified or replaced by WPL pursuant to section 205 of the Federal Power Act from time to time in accordance with its terms, the terms of this Agreement, *and the terms of the Settlement Agreement in FERC Docket No. ER06-1518 filed on February 8, 2008.*" (Emphasis added.) In addition, Exhibit B consists of only the cover page to the applicable rate schedule and does not set forth the rest of the applicable rate schedule.

¹⁰ 18 C.F.R. §§ 35.1, 35.2 (2007).

¹¹ *See, e.g., Mystic Development, LLC and Mystic I, LLC*, 113 FERC ¶ 61,012, at P 14 (2005).

8. Second, because certain of the rates, terms and conditions in the proposed MPSA are based on the Settlement Agreement pending before the Commission, the Commission's conditional acceptance of the Second Revised MPSA is also subject to refund and subject to the outcome of the pending Settlement Agreement proceeding.¹²

9. Finally, the instant filing does not fully comply with the guidelines set forth in Order No. 614.¹³ For instance, the Second Revised MPSA was filed as a stand-alone rate schedule, but it is designated as part of Wisconsin Power's W-3A rate schedule. Therefore, the Commission directs Wisconsin Power to file a Second Revised MPSA in compliance with Order No. 614, within 30 days of the date of this order.

By direction of the Commission.

Nathaniel J. Davis, Sr.,
Deputy Secretary.

¹² If the rates, terms and conditions of the Second Revised MPSA are changed when the Commission issues an order on the Settlement Agreement, then Alliant Energy must file a compliance filing reflecting such change(s) within 30 days of the date of the Commission's order on the Settlement Agreement.

¹³ *Designation of Electric Rate Schedule Sheets*, Order No. 614, FERC Stats. & Regs. ¶ 31,096 (2000).